

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 06-03-21**

Date Published: March 16, 2006
For Work Week Commencing: March 20, 2006
Commission Meeting: March 21, 2006, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NORTHWESTERN ENERGY D97.11.219 (Eric)

On March 10, 2006, NWE filed its twelfth semi-annual true-up Advice Letter pursuant to Order No. 6035a. This filing is made by NWE in its role as servicer of the Natural Gas Transition Bonds. If the previous six-month

period variance between the scheduled debt service and the actual amounts available to satisfy the scheduled debt service for such period exceeds 2 percent NWE is required to apply for adjustment to the Fixed Transition Amount (FTA) charges. The variance for the period was an under collection of 2.74 percent or \$120,442. An increase in FTA-GP, FTA-RA(Core), FTA-RA Utility, FTA-RA (Non-Core) rates is necessary based on future payment obligations and projected market load. The new FTA rates should ensure enough funds are collected to make the next principal and interest payment. Staff recommends that the changes in the FTA charges be approved effective April 1, 2006.

2. CenturyTel N2006.3.29 (Scott)

On March 6, 2006, CenturyTel filed transmittal No. 06-01. In this filing CenturyTel is proposing to offer the following promotion: During the period April 6, 2006 through June 30, 2006, the Company will waive all nonrecurring charge's for the installation of Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI), Digital Switched Service (DSS) and DID Service. Customers must commit to a one year contract: if service is cancelled prior to the one-year term, the customer will be billed any nonrecurring charges that were waived. Probable Motion: Approve CenturyTel's transmittal No. 06-01 in Docket N2006.3.29.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2004.3.38 – Range Telephone Cooperative, Inc. application for ETC status in Qwest's Forsyth Montana exchange – Recommended Final Order discussion. (3/21/06)
2. D2003.7.86, D2004.6.96, D2005.6.103 – NorthWestern Energy consolidated annual qualifying facility avoided cost – Discussion, direction, action on procedure, recent intervenor motion to file surrebuttal, other matters as necessary. (3/21/06)
3. D2006.2.15 – Cut Bank Gas – interim rate request. (3/21/06)
4. FCC 96-45, et al. – PSC comments to FCC order on 2nd 10th Cir. Remand – Discussion, direction, action on draft comments. (3/21/06)
5. Approve out-of-state staff travel. (3/21/06)

Other Meetings**3/21/06 2:00 p.m. – CenturyTel informational meeting (Bollinger Room, no web audio feed)**

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Citizens Telecommunications N2006.3.33 (Scott)

On March 9, 2006, Citizens filed advice letter no. MT-06-04 Special promotion. Citizens is proposing to introduce a special promotion beginning April 10, 2006 and continuing through July 9, 2006, where technically available in the serving Wire Center for Residential customers. The promotion waives the applicable Service Request charge and the Connection of Network Access Line Charge for an existing resident customer who moves to a new location within the company's service territory and initiates residential service at that new location.

2. Qwest Services Corporation N2005.3.34 (Gary)

On March 10, 2006 Qwest Service Corporation (Qwest) filed a Petition for Waiver of Months to Exhaust/Utilization Threshold requirements set forth in the FCC's Number Resource Optimization Order, FCC 00-429 and FCC 01-362. A waiver of the FCC's requirements would allow Neustar, Montana's Pooling Administrator, to provide numbering resource to Qwest that have been requested in order for Qwest to satisfy a specific customer request from the City of Missoula. The FCC allows for such a waiver of rules when there is a specific customer request. The waiver process ("safety valve process")

is addressed in FCC 01-362, paragraphs 57-66, which delegate waiver authority to state commissions.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. NORTHWESTERN ENERGY D2004.3.45 (AI)

Basin Creek Equity Partners has filed a Motion for Protective Order requesting protection of Exhibit D to the Amended and Restated Capacity and Energy Sale Agreement dated March 23, 2005, between Basin and NorthWestern Corporation (Agreement). Exhibit D sets out the estimated fixed and variable operation and maintenance costs with respect to the Agreement.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199

1. NORTHWESTERN ENERGY D2006.2.21 (Martin)

A protective order, Order No. 6718, was issued March 13, 2006, in the above matter, which is NWE's initial abbreviated 2006 natural gas procurement plan.

2. QWEST CORPORATION D2005.6.105 (Martin)

A protective order, Order No. 6670a, was issued March 14, 2006, in the above matter, which is a PSC investigation of Qwest's use of federal universal service funds.

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2006.3.32 – CenturyTel of MT & Granite Telecommunications – Application for Approval of an Interconnection Agreement

N2006.3.33 – Citizens Telecommunications Company – MT 06-04 – Special Promotion

D2006.3.34 – Qwest Corporation – Waiver of Months to Exhaust/Utilization Threshold Requirements Missoula Rate Center